

TOP SECRET

6 July 1959

Copy No. C 63

25X1

CENTRAL INTELLIGENCE BULLETIN



DOCUMENT NO. 5
NO CHANGE IN CLASS.
EX. DECLASSIFIED
CLASS. CHANGED TO: TS, S, C
NEXT REVIEW DATE: 2010
AUTH: HR 70-2
DATE: 4.14.80 REVIEWER:

25X1

25X1

TOP SECRET

Next 1 Page(s) In Document Exempt

CENTRAL INTELLIGENCE BULLETIN

6 July 1959

DAILY BRIEF

25X1

i

25X1

25X1

II. ASIA-AFRICA

OK Iran-USSR: [Conservative, neutralist elements in Iran may be promoting a move to appease the USSR in an effort to end Moscow's cold war against Iran. Former Prime Minister and elder statesman Seyed Zia Tabatabai, who apparently was influential in promoting the abortive Soviet-Iranian non-aggression treaty negotiations early this year, is reported

25X1

25X1 [redacted] to be urging such an effort. Top Iranian leaders show no signs of weakening, but if Moscow's propaganda is not abated, the Shah may agree to seek measures that would bring the campaign to an end.]

25X1

25X1 [redacted]

25X1

6 July 59

DAILY BRIEF

ii

25X1

OK
25X1
Ceylon: Prime Minister Bandaranaike's government has been further weakened by unfavorable domestic reaction to the ineffectual speech from the throne at the opening of Parliament on 30 June and by continuing leftist strike activity. The most powerful labor group in Colombo port remains on strike, and leftist leaders threaten to call out other unions on 6 July. [While various conservative groups continue to consider possible coup action, apparently none plans to act in the immediate future.]

25X1

III. THE WEST

25X1

25X1

6 July 59

DAILY BRIEF

iii

25X1

Next 4 Page(s) In Document Exempt

II. ASIA-AFRICA

25X1

Iranian Elder Statesman Urges Appeasement of USSR

[Seyed Zia Tabatabai, 73-year-old former prime minister who is traditionally neutralist, has been trying to promote a move to appease the USSR in order to end the five-month-old Soviet propaganda campaign against Iran.]

25X1

[] the elder statesman has become greatly concerned over the Soviet threat and is convinced that Iran has only "a couple of months" before the Russians will incite a Baghdad-type revolution in Iran.]

25X1

[Tabatabai proposes that the Shah immediately send a goodwill mission to Moscow as a gesture to permit Soviet leaders to save face. He feels Moscow would overlook Iran's participation in the Baghdad Pact and in the bilateral agreement with the United States, providing Tehran agrees to sign a nonaggression pact.]

[To further pacify the USSR, Tabatabai believes a scapegoat must be found to take the blame for the unfortunate situation facing Iran. He proposes, therefore, that the Eqbal government be dismissed on a vote of no confidence and that a new government be formed to take its place. While Tabatabai could be seeking the premiership for himself, as rumored in 1954, this does not appear to be his primary motive. He apparently is sincere in his fear for the future of Iran and is said to be urging many influential persons to put pressure on the Shah.]

[Tabatabai is regarded by the American Embassy in Tehran as one of a small, highly respected group who can best be called the "old-fashioned elder statesmen" of Iran. These men view the country in its historical perspective and believe its independence can best be maintained by remaining inconspicuously balanced between more powerful countries. They want Iran protected by the shield of Western military power without going so far as to annoy Soviet might, and would accept limited economic aid from both sides.]

[Neither the Shah nor Eqbal has yet shown any sign of weakening in the face of threatening propaganda. Nevertheless, with foreign propaganda demanding their death--as in the East German Persian-language broadcast of 30 June--and with pressure mounting to end the impasse with the USSR, the Shah, who often feels isolated and is easily depressed, may agree to investigate moves to end the Soviet "cold war" against Iran.]

25X1

25X1

25X1

Approved For Release 2003/02/27 : CIA-RDP79T00975A004600050001-5

Approved For Release 2003/02/27 : CIA-RDP79T00975A004600050001-5

Situation in Ceylon

Prime Minister Bandaranaike's government has been further weakened as a result of parliamentary developments and continuing leftist-led strike activity. Reaction in Ceylon to the government's throne speech opening Parliament on 30 June has been unusually critical. The lack of constructive new proposals to alleviate the country's worsening economic and political problems--in effect an admission by the government that it can remain in office only by avoiding controversial issues--has further damaged Bandaranaike's prestige.

Despite its bare majority, however, the government probably will survive a parliamentary vote following debate on the speech on 8 or 9 July, as some members of the opposition apparently are reluctant to force national elections at this time.

Leftist political and labor leaders continue their effort to discredit the government and increase their support through recurrent strike activity. While five small Colombo port unions have accepted Bandaranaike's concessions and returned to work, the most powerful group--led by the Trotskyite Lanka Sama Samaj party (LSSP)--has decided to remain on strike despite a government ultimatum. LSSP leaders also threaten to call out workers in commercial firms on 6 July and may attempt to stage a general strike.

Army troops ordered into the port on 25 June are still trying to handle some cargo, raising the possibility of clashes with those workers who have returned. Mobilization of "volunteer" groups by the government to act as strike breakers may lead to additional violence.

[Deteriorating political and economic conditions are encouraging various conservative groups to consider "direct action" to replace the present parliamentary government with authoritarian rule. While the Governor General's order of 26 June mobilizing the armed-forces reserves increases opportunities for such action, there is no indication that any group plans a move in the immediate future.]

25X1

25X1

25X1

THE PRESIDENT**The Vice President****Executive Offices of the White House**

Special Assistant for National Security Affairs
Scientific Adviser to the President
Director of the Budget
Office of Defense and Civilian Mobilization
Special Assistant for Security Operations Coordination
Board of Consultants on Foreign Intelligence Activities
Special Assistant for Foreign Economic Policy
Executive Secretary, National Security Council

The Treasury Department

The Secretary of the Treasury

The Department of State

The Secretary of State
The Under Secretary of State
The Under Secretary of State for Economic Affairs
The Deputy Under Secretary for Political Affairs
The Deputy Under Secretary for Administration
The Counselor
Director, International Cooperation Administration
The Director of Intelligence and Research

The Department of Defense

The Secretary of Defense
The Deputy Secretary of Defense
Assistant Secretary of Defense for International Security Affairs
The Secretary of the Army
The Secretary of the Navy
The Secretary of the Air Force
The Chairman, The Joint Chiefs of Staff
Commandant, United States Marine Corps
The Director, The Joint Staff
Chief of Staff, United States Army
Chief of Naval Operations, United States Navy
Chief of Staff, United States Air Force
Assistant to Secretary of Defense for Special Operations
Director for Intelligence, The Joint Staff
Assistant Chief of Staff for Intelligence, Department of the Army
Director of Naval Intelligence, Department of the Navy
Assistant Chief of Staff, Intelligence, Department of the Air Force
Supreme Allied Commander, Europe
Commander in Chief, Pacific

The Department of the Interior

The Secretary of the Interior

Federal Bureau of Investigation

The Director

Atomic Energy Commission

The Chairman

National Security Agency

The Director

National Indications Center

The Director

United States Information Agency

The Director

TOP SECRET

TOP SECRET